

## World Economic History

UGRA\_009993

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Departments	Department of Society, Politics and Sustainability, Global Governance
Teaching Languages	English
ECTS	6
Teacher responsible	Daniel Hywell Nicholls - danielhywell.nicholls@esade.edu

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### Course Goals

The course aims to familiarize students with the major economic shifts and dynamics throughout history. The main focus is on the period from the inception of the Industrial Revolution onwards, but there will also be a brief look at the origins of economic activity and the creation of trading empires in Classical Mediterranean civilizations, as well as feudal systems, in order to appreciate the nature of economic activity in all stages of development. The course will also examine early economic developments in China, the Arab World and India. The emphasis is on being able to interpret the causal processes which have prevailed in each moment, as well as understanding some basic concepts of economic theory and international political economy. The course will also look at themes such as the history of economic thought and the company.

Due to the multi-faceted nature of economic development, the course will analyze economic events within the social, political and cultural contexts within which they took place, encouraging students to adopt a broad approach to economic processes both in terms of their causes and consequences.

The objective is that students will gain a clearer understanding of the current economic climate through analyzing the processes which have led to it. The course deals with many moral, societal and political issues related to economic processes, structures and development, and, through an analysis of these, the aim is for students to develop their own positions on how economic processes should be most efficiently and fairly governed. In-class activities will allow students to debate and analyse issues, applying the concepts covered by the course, testing their limits and discovering their strengths and explanatory power.

### Previous knowledge

General knowledge of basic economic theory and terminology, as well as global history, is useful though not essential.

Prerequisites	None
Teaching methodology	<p>The course blends classical lectures with in-class activities. The course instructor will introduce students to themes and frameworks, but students are also expected to carry out preparation activities prior to each session and to apply this during analytical in-class activities. Resources (book chapters, articles, documentaries, podcasts) are listed for each of the themes that make up the course. Students must read/watch/listen to the appropriate resources for each theme and reflect on the questions that have been set by the course instructor. The course materials are based on analysis and interpretation, rather than descriptive facts. As such it is strongly advised that students focus their reading of the materials in terms of the key points listed and questions set for each theme, and that they write synthesized summaries of the key arguments from each text/podcast/video.</p>
Description	
Course contribution to program	<p>The subject helps students to understand the relevance of historical economic processes to the current global economy, and how economic theory and practice have developed through time. It also helps students understand the governance implications of issues such as trade, institutions, modes of capital accumulation and development.</p>
Program Learning Objectives	
GEL23-Bachelor of Global Governance, Economics and Legal Order	<ul style="list-style-type: none"> <li>- General Management Skills <ul style="list-style-type: none"> <li>- Recognise the economic, legal and social concepts that define the context of different stakeholders in the context of international relations and global governance.</li> </ul> </li> <li>- Critical and Analytical Thinking <ul style="list-style-type: none"> <li>- Apply relevant techniques and tools to analyze and evaluate economic and financial information.</li> </ul> </li> <li>- Systemic and Strategic Thinking <ul style="list-style-type: none"> <li>- Apply tools, frameworks, and perspectives in an integrative way to analyze the interrelations between different actors in the global context.</li> </ul> </li> <li>- International Relations and Global Governance <ul style="list-style-type: none"> <li>- Apply geopolitical analysis to decision-making by the different actors involved in international relations.</li> </ul> </li> </ul>
GEL25-Bachelor of Global Governance,	<ul style="list-style-type: none"> <li>- General Management Skills <ul style="list-style-type: none"> <li>- Recognise the economic, legal and social concepts that define the context of different stakeholders in the context of international relations and global governance.</li> </ul> </li> <li>- Critical and Analytical Thinking <ul style="list-style-type: none"> <li>- Apply relevant techniques and tools to analyze and evaluate economic</li> </ul> </li> </ul>

## Economics and Legal Order

and financial information.

- Systemic and Strategic Thinking
  - Apply tools, frameworks, and perspectives in an integrative way to analyze the interrelations between different actors in the global context.
  
- Economic Analysis
  - Assess the behaviour of different actors (governments, companies and international organisations) through economic analysis and available empirical evidence.

## Bibliography

Frieden, J. (2006), Global Capitalism: Its Fall and Rise in the Twentieth Century, W.W. Norton and Cº (Book)

## Content

#	Topic
1	1. From Early Societies to Industry – Social and Economic Revolution • From hunter-gatherers to settled agriculture • Early economic systems – Sumer, Phoenicia, Greece and Rome • Early economic activity in China • Mongol Empire and trade • Arabic trading system • Importance of agriculture • Technology and production • Efficiency gains and specialization • Feudalism and the Carolingian Empire • Hanseatic League, guilds and city state • Proto-industrialisation • Geography, institutions and development 2. Industrial Revolution • Why Britain? • Coal, transport, wages and capital • Science and machinery • Liberalism and parliament • The Companies Act and the limited liability company • Catch-up strategies • Meiji Restoration • North Vs South America 3. Empire • William II and finance • Shipping and conquest • Copying the Dutch • Spices and fabrics • Raw materials and finished goods • Spanish Empire • Chinese tribute system • Opium and Chinese humiliation • Development of finance in England 4. Theoretical Approaches to Trade, Growth, Value and Order • Mercantilism • Marxism • Hayek • Keynes • Liberalism (Classical, Modern and Neo) • Conservatism (Classical and Neo) • Libertarianism 5. A History of Economic Thought: Beyond Smith & Keynes • A look at the theories of lesser-known but influential economists • Plato's meritocracy • Aristotle and property • Scholastics • Veblen on leisure and consumption • Rise of marginalism • Marshall and neoclassical economics • Utilitarianism and welfare theory • Pigou and externalities • Clark and consumer sovereignty • Sraffa and monopolistic competition • Satisficing 6. US Capitalism • The role of Protestant sects • Individualism, property and economic dynamism • Locke and Liberalism • Hamilton Vs Jefferson • Mass production and Fordism • Big business and managerial capitalism • Transnational production • Schumpeter and creative destruction • Interfering in Central America – customs duties and militarism 7. Russian Revolution and Communism (1917) • State ownership and planning • Global revolution • Communism's successes and failures 8. War, Crisis and Depression • German growth and expansion • Ruling classes • Empires collapse • War guilt and reparations • Hyperinflation • Class conflict and fascism • Wall Street Crash and the New Deal • German, Japanese and Italian expansionism • Japanese economic interests in Manchuria • Revisionism • Beggar-thy-neighbour • Buffer states • World War II • US Growth 9. Global

#	Topic
1	Economy post-1945 • Fall of empires • US hegemony • Open door policy – democracy and free trade • Global economic institutions (IMF, IBRD, GATT) • European economic integration 10. The Cold War as a Battle between Two Systems • Riga Vs Yalta Axioms • Henry Wallace and fair competition • Marshall Plan, Prague and the Deutchmark • Truman Doctrine • Eisenhower and military spending • Kruschev and the space race • Cuba – sugar and missiles • Triangulation, Helsinki and economic cooperation 11. The Rise of the Third World (1950s-60s) • Structuralism and Dependency Theory • Terms of trade • NAM, NIEO and UNCTAD • Import substitution industrialization and Viña del Mar • Neo-colonialism • Alliance for Progress • Rostow's Stages of Growth model 12. The Collapse of the Bretton Woods System and the Oil Crisis • Smithsonian agreement • OPEC and oil supply restriction • Stagflation and Keynesianism • Debt crisis • The Chicago Boys in Chile • The lost decade and Third World debt • Structural adjustment in Latin America 13. The End of the Cold War and the End of History • Military spending and Star Wars • The role of Reagan • Gorbachev and new thinking • Perestroika and Glasnost • The Sinatra Doctrine • Introducing capitalism in Russia and Eastern Europe • The Washington Consensus in Latin America • Shock therapy in Eastern Europe • The Pink Tide in Latin America • Reaction to the Asian Financial Crisis • Creation of the G20 • 2008 crisis 14. The Rise of China & Asia • War and the creation of a strong state • Great Leap Forward • Deng and cats and mice • 18 Farmers • Economic reforms and trade • Entry into the WTO • Trade and growth • Role of the party • Energy security • Response to the crisis and power shift • Asian Tigers – flying geese and the developmental state

## Assessment

Tool	Assessment tool	Category	Weight %
Quizzes/tests	Mid-term 1	Retake and ordinary round	10.00%
Written and/or oral exams	Mid-term 2	Retake and ordinary round	20.00%
Individual or team exercises	Class activities	Retake and ordinary round	10.00%
Written and/or oral exams	Final exam	Retake and ordinary round	60.00%

## PROGRAMS

GBL24-Double Degree in Business Administration and Global Governance, Economics and Legal Order (Undergraduates: Business)

GBL24 Year 2 (Basic)

GBL25-Double Degree in Business Administration and Global Governance, Economics and Legal Order (Undergraduates: Business)

GBL25 Year 1 (Basic)

GDL23-Double Degree in Law and Global Governance, Economics and Legal Order (Undergraduates: Law)

GDL23 Year 1 (Basic)

GDL25-Double Degree in Law and Global Governance, Economics and Legal Order (Undergraduates: Law)

GDL25 Year 1 (Basic)

GEL23-Bachelor of Global Governance, Economics and Legal Order (Undergraduates: Law)

GEL23 Year 1 (Basic)

GEL25-Bachelor of Global Governance, Economics and Legal Order (Undergraduates: Law)

GEL25 Year 1 (Basic)

GRD20-Bachelor in Law (Undergraduates: Law)

GRD20 Year 1 (Mandatory)